

APPENDIX IV.

(Vide Answer to Question No. 98.)

Serial No.	Name of Panchayats	Expenditure		
		in 1098	in 1099	in 1100
1	Pattancheri ...	1,774—6—5	2,041—11—2	2,006—9—6
2	Vilvattam ...	3,086—15—5	1,660—5—8	5,412—2—7
3	Nemmara ..	2,484—12—10	3,589—8—10	6,059—5—0
4	Kadangode ...	37—2—0	59—12—10	165—3—0
5	Kadavallur ...	31—14—5	131—9—5	40—3—4

The lapsing of the Diwan's sanction.

Mr. A. Eachara Menon.—A point of information, Sir, with regard to the lapsing of the sanction given by the Diwan.

Mr. T. K. Krishna Menon.—The sanction once given, will lapse, with the prorogation of the session.

President.—Did you bring it to my notice for reconsideration? If sanction is once granted, and if it has lapsed, and if it is being ruled by the President that fresh sanction is required, you have to apply for it. Have you brought it to the consideration of the President with reasons for your position?

Mr. A. Eachara Menon.—No, Sir.

The Cotton Industry (Statistics) Bill.

President.—The next item of business is the Cotton Industry (Statistics) Bill. It was moved by the Law Member and seconded by Mr. T. K. Krishna Menon. At the same time it was opposed by Mr. V. K. Kochunni Menon. We have now to discuss the principle of the Bill.

Mr. K. Achyuta Menon.—In British India there was an Act called the "Cotton Duties Act" which provided for the due submission of returns by the several mill-owners, showing the quantity of yarns spun and goods manufactured in the various mills. That Act was repealed with the passing of the new Act called "the Indian Cotton Industries Statistics Act" for the due submission of the returns. Simultaneously with this, another Act entitled the "Indian Finance Act" was also passed.

President.—Is there any provision in the Finance Act for the submission of the returns?

Mr. K. Achyuta Menon.—None. The Cotton Industries Act was passed simultaneously with the Finance Act.

President.—Does the Indian Finance Act form part of the Cotton Industries Act?

Mr. K. Achyuta Menon.—Both are separate Acts. So far as I have understood, the object of this Bill is to gather statistical information for the purpose of studying the development and vicissitudes of this particular industry—the cotton industry—which is a very important industry in India. This appears to be the object in passing such an Act. The Agent to the Governor-General on behalf of the Indian Government wanted our Government to co-operate with the British Government by furnishing these returns. The Government cannot compel the mill-owners to the returns without a law on the subject. Therefore, this Bill has been introduced to enable our Government to furnish the returns to the British Government.

President.—What is the nature of the return? Is it given in the Act?

Mr. K. Achyuta Menon.—The rules under the Act provide for the nature of the returns. Clause 3 gives the description of the returns to be submitted. It runs as follows.—“The owner of every mill shall, each month, prepare and deliver or caused to be prepared and delivered to the prescribed officer a return of all cotton goods manufactured and all cotton yarns spun in the mill during the preceding month by machinery moved otherwise than by manual labour, and shall subscribe a declaration of the truth of the return at the foot thereof.”

President.—In British India, I think they have got sample forms.

Mr. K. Achyuta Menon.—In section 6, sub-division 2, clauses (a) and (b), mention is made about the nature of the forms to be used.

President.—When the Government of India wants this information, we give it. Is it not?

Mr. K. Achyuta Menon.—The main section in the Bill relates to the submission of the returns.

President.—Who is the officer in British India who is authorised to see to the submission of the returns?

Mr. K. Achyuta Menon.—The Director of Industries, Sir.

Rao Sahib Mr. T. V. Kasturi Ranga Ayyar.—Or it may be any other officer authorised by the Government.

President.—So, we can authorise any officer here. Suppose an exemption is given. How can we send the return?

Mr. K. Achyuta Menon—Clause 8 of the Bill meets this point. "The Government may, by notification in the Cochin Government Gazette, exempt from the operation of this Regulation or of any specified provision thereof any mill or class of mills of any goods or class of goods specified in the notification." If the return is necessary, the Government will not grant exemption.

President.—According to the Law Member, a specific purpose is served by this Bill, viz., the promotion and development of the cotton industry which is one of the principal economic factors in India. As far as possible, no exemption should be granted, and permanent returns should be submitted. Is there not an Act for the other industries?

Rao Sahib Mr. T. V. Kasturi Ranga Ayyar.—I think for the steel industry also there is an Act in British India, to the best of my recollection.

Dr. A. R. Menon.—The learned Advocate has not stated anything about the method of developing the cotton industry.

Mr. K. Achyuta Menon.—The Bill is for studying the development of cotton industries.

Mr. S. F. Nunez.—I should like to know whether the Hon'ble Member for Law has read the objects and reasons for the passing of this Act XX of 1926. I asked for a book from the library here, and I was told that there was no book here. I want to bring to the notice of the House that there is an impression outside that there is something behind the statute, and it is intended purely to benefit the Lancashire merchants. Of course, there must be sufficient reasons to induce the Government of India to pass this statute in the interests of the development of the cotton industry. There is no doubt about that. This is what I have gathered from the preamble of Act XX of 1926. I want to know whether the Hon'ble Law Member has read the preamble. Without referring to the preamble, this Bill cannot be brought before the House.

Mr. K. Achyuta Menon.—I have read the preamble.

President.—Which is the Act to which reference is made?

Rao Sahib Mr. T. V. Kasturi Ranga Ayyar.—The British Act XX 1926—"The Cotton Industry Act."

Mr. K. T. Mathew.—Was this Act passed by the Legislative Assembly? If so, some discussions must have taken place in the Assembly.

President.—Do you like to hear the objects and reasons?

Rao Sahib Mr. T. V. Kasturi Ranga Ayyar.—They are in the Act.

President.—Then let us see for what objects it is brought in.

Mr. C. Achyuta Menon.—Under the Cotton Duties Act all this information could be called for. When that Act was repealed, a new Act had to be passed.

President.—What I wanted to know is how it was necessary to introduce the measure in the Legislative Assembly. There will be a statement of Objects and Reasons, I suppose.

Mr. K. Achyuta Menon.—We have got it.

President.—In this particular case?

Mr. K. Achyuta Menon. Yes, Sir.

Mr. S. F. Nunez.—I do not know how it would benefit us commercially. The discussion which must have risen in connection with Act XX of 1926 in the Legislative Assembly must have been passed after some discussion. May I know whether it was passed in the Legislative Assembly or whether the Government used their extraordinary powers to pass it?

Rao Sahib Mr. T. V. Kasturi Ranga Ayyar.—It received the assent of the Government.

Mr. S. F. Nunez.—May I know whether the Government has gone through the Proceedings of the Legislative Assembly?

Mr. C. Achyuta Menon.—We have not.

Mr. S. F. Nunez.—We have not got a copy, and so we cannot go through the discussion. We need not borrow the Act at all.

Mr. C. A. Ouseph.—Let us consider the Act.

Mr. A. B. Salem.—I want to know, Sir, whether this Bill is brought before the House out of the interest of the Cochin Government or not. If it is not, I wish to know what justice you have got to bring in an Act which would entail an expenditure of a sum of money from the tax-payers; if it is not to benefit us at all, whether it is for the benefit of the British Government or at their instance.

President.—Is this a discussion on the principles of the Bill?

Mr. A. B. Salem.—This is one of the introduction of the Bill.

President.—Do you oppose the Bill?

Mr. A. B. Salem.—I thought the consideration of the Bill is come now. The introduction, as I thought, was over yesterday.

President.—No, it is not over. After that you may speak.

Mr. V. K. Kochunni Menon.—I oppose the Bill on the ground that it is unnecessary either in the interests of the State or of the mill. It will entail unnecessary work on the

staff of the mill, and will also give occasion for the leakage of trade secrets. No doubt, there are certain safeguards provided therein, but they are not sufficient to prevent this. Any officer of the Government can go there and even take copies of the records, whether the manager is present or not. There may be so many things in a trading establishment which cannot be divulged. It may affect their trade.

President.—If you want information on these points, how is it to be got?

Mr. V. K. Kochunni Menon.—It is not necessary. What is the information for?

President.—But supposing it is necessary to get this information?

Mr. V. K. Kochunni Menon.—I say it is not necessary. Annual returns would be sufficient of the total out-put even if necessary.

President.—Whether monthly or annual return is necessary is a matter that does not affect the principle of the Bill. What I want to know is whether there is any necessity for this Bill.

Mr. V. K. Kochunni Menon.—I say "not". Its disadvantages are greater than its advantages, if any.

President.—What are they?

Mr. V. K. Kochunni Menon.—First of all, there is the additional work on the staff. They have to prepare returns every month; then worrying the staff by frequent visits, and lastly there is the chance of divulging trade secrets.

Mr. M. Krishna Menon.—Sir, I rise to oppose this Bill. My first reason is that, from the preamble of the legislation itself, it will be seen that it is not for the benefit of the subjects of the Cochin State, but for the purpose of satisfying the wants of the British Government that this Regulation is introduced. Secondly, it is clear that the development of the cotton industry is a commercial concern, and it is rather unfortunate and improper to ask the owner of a mill to divulge all his trade secrets. I beg to differ from the Hon'ble Member for the Anglo-Indians, and I say that it is most probably for the benefit of the Lancashire merchants. They will have to value their goods, according to the stock in hand in India. If there is sufficient stock, they will have to undersell. If there is no stock, they will have to raise the prices. If, in India, there is sufficient stock for the use of the Indians, they will have to undersell. If they find, from statistics, that there is not sufficient cloth manufactured in India for the use of the Indians, then they can raise

the prices. That is the only benefit derived from these statistics. And it is for that purpose that the Bill is introduced in British India, and they insist on its being introduced in the Cochin State also.

There is only one mill in our State to which this legislation can be made applicable, and that is only in its infant stage. If their trade secrets are let out, they will not be able to compete with the outside world. It will be rather unfortunate to ask them now to give out all their trade secrets, the quantity they have in hand, the cloth made, etc. It will be rather detrimental to the concern itself, instead of developing the concern. If, as a matter of fact, our Government want to know the real state of affairs of the mill, I do not think any legislation is necessary. The Managing Director or his staff will be only too glad to place all the available materials at the disposal of our Government, especially when they ask for the assistance of the Government, and when they are indebted to the Government for the proper maintenance of their industry. So far as the Government is concerned, they can call upon them to furnish all available materials for the information of our Government, and not for the purpose of supplying it to the outside world. Here the legislation is intended clearly to collect statistics for the purpose of supplying them to somebody else. The effect will be that our industry will be stifled. Even in the case of the Bombay merchants, if they find that a sufficient quantity is manufactured in Cochin for the people of Cochin, then they may undersell; we need not go to Lancashire.

President.—But the Bombay Mill-Owners' Association has consented to this proposal.

Mr. M. Krishna Menon.—Some may consent; some may not. I do not consent, so far as the Cochin people are concerned. They may want information, because there are many mills. They may get the statistics of other mills, and all of them may be able to settle their prices at the same time. I do not know whether they will be willing to supply statistics to the outside world, because it is a purely commercial concern. So far as I am aware, this clear difficulty faces itself. Suppose there are two persons carrying on business in one and the same commodity; if one man knows that there is sufficient stock, or there is no stock with the other, it is easy for the other merchant to raise or lower the prices.

President.—It is only natural.

Mr. M. Krishna Menon.—In the same way, if our statistics are known to the outside world, manufacturers elsewhere would raise the prices and take away money from India. Let

us take our own State. Now, there is a mill working at Trichur, and it can supply the necessary cloth and yarn for the Cochin State.

Mr. S. F. Nunez.—Sir, I rise to a point of order. There is a clause in the Regulation which enjoins that no mention should be made which reflects on the Paramount Power. The Hon'ble Member for Vyttila made an insinuation on the Lancashire merchants.

Mr. M. Krishna Menon.—I only just now knew that the Lancashire merchants are the Paramount Power.

Mr. S. F. Nunez.—I did not say that.

President.—The Member can proceed.

Mr. S. F. Nunez.—I bow to your will.

Mr. M. Krishna Menon.—This is my important point. So far as commercial concerns are concerned, they are to be guided for the purpose of their own interests. As a matter of fact, even when going outside Cochin, there are many mills which are working, and articles manufactured therein are imported into the State. For example, if the Trichur mill is prepared to supply the necessary wants of our State, certainly, the people of Cochin will be the first to patronise them. Whether they have sufficient stock in hand or not is a secret which should not be divulged, if their industry is to thrive. On these grounds, I oppose the Bill.

Mr. M. K. Raman.—Sir, I rise to oppose the Bill. I oppose the Bill, because I can find no useful purpose served by introducing this Bill. However, I am not in a position to say all that the Hon'ble Member for Vyttila has said; but still I believe that this is the thin end of a wedge. How it is going to be worked I am not now able to say. At any rate, I think that this will unnecessarily create a lot of hardships to the cotton industry in Cochin, which is only an infant industry in our State. I have my own doubts whether this Bill will promote the cotton industry of India or of England. I am afraid that, instead of improving our economic condition, it may affect it prejudicially. When the Government knows that a certain quantity of cotton and yarn is produced here, they will have a tendency to impose fresh taxes, and this will act as an impediment to the growth of the industry. I am not able, from any aspect of it, to understand that any useful purpose can be served by the introduction of this Bill, and so I strongly object to it.

Dr. A. R. Menon.—Sir, I rise to oppose the Bill, and it is only fair to tell this House that I am in a way connected with the management of the Sitaram Mills, and as such I know the inner workings of this industry. It is our unanimous opinion,

after mature consideration, that this Bill, if passed into law, is likely to cause grave hardships, if not absolute ruin to the only mill that is in existence in the State. The House must be aware that the cotton industry is passing through days of great difficulty, and excepting three or four mills in Bombay, none of the mills have declared any dividends this year. At such a time as this, when the industry is in its infant condition, I ask the Government if it is right, if it is just, if it is reasonable for them to forget their obligation to the only mill in the State, and enact a law which will ruin irretrievably this industry in the State. Sir, the reason assigned by the learned Advocate for introducing this Bill has not been very convincing to us, simply because he was not able to assign reasons as to how and wherefore this Bill would be of any use to us. He has simply reiterated certain statements which he himself is unable to support by argument. We want to know, if the Government can prove to us to our satisfaction that this Bill is likely to do good to us. That is the main consideration. We are not concerned with the affairs of the other parts of the world; nor are we expected to yield to the interests of the State in preference to that of any one else. Whatever may be the position of the Government, I sympathise with them. We, in this House, are to be guided by one consideration, and that is the paramount interest of the people of the State. We are satisfied, Sir, that the Bill is not conducive to those interests, and it is, therefore, our bounden duty to offer opposition to it. You will notice, under these conditions, "the owner of every mill shall each month prepare and deliver, or cause to be prepared and delivered, to the prescribed officer a return of all the cotton goods manufactured and all cotton yarn spun in the mill during the preceding month by machinery moved otherwise than by manual labour, and shall subscribe a declaration of the truth of the return at the foot thereof". I ask you why it should be in every month. That is only to find out the statistics. They have no objection to submit the statistics, when you ask for them. Do you realise that within twenty-four hours the prices of the goods vary? For the last nine months the mill has been working under a disadvantage, and in the last three months the prices have gone up. Now, if the outside world finds out the quantity that has been sold, the prices will be lowered. None knows this secret except those who are directly concerned with the management of the mill. These are kept secret. The price varies according to the quantity. It is an elementary principle in all commercial concerns that the relation and co-relation between demand and supply is that, when the supply is great and the demand

less, the price goes down, and when demand is great and supply less, price goes high. Now, you must consider these propositions seriously. The Sitaram Mill is the only mill in the State, and it has collected a huge sum of 20 lakhs of rupees from the people, and if you ruin that mill by your legislation, I unhesitatingly say that you should share a portion of that responsibility in having brought down ruin upon the people. All these views you must take into consideration, and I hope and trust that the Government will make necessary representation to the Paramount Power about the difficulty in which we are placed. I ask this House and the Government to do the best they can to get out of the difficulties, which, of course, are due to the misfortunes in which we find ourselves to-day.

Mr. S. F. Nunez.—In supporting this Bill, I must acknowledge that I am painfully aware of the state of feelings on the non-official side, perhaps, reasonably too. The opposition comes from the fact that in the preamble of our Regulation there is the statement that our Government was approached by the Agent to the Governor-General, Madras States.

Many from the non-official side said "certainly not".

Mr. S. F. Nunez.—In the Statement of Objects and Reasons, it is given "At the instance of the Government of India, the Agent to the Governor-General, Madras States, invited the attention of the Cochin Government to the Acts and Rules aforesaid, and sought the co-operation of the Director-General of Commercial Intelligence and Statistics, Calcutta, with the necessary returns in regard to the mills in the State. It was found here on enquiry that, to ensure the regular and correct keeping of the statistics required and to facilitate the submission of the returns sought for, etc." Now, that causes all sorts of difficulties, on the non-official side. The Hon'ble Member for the Vyttila Constituency objected to the Bill on commercial grounds. He said the Bill would strangle the Sitaram Spinning and Weaving Mills. The Hon'ble Member for the Irinjalakkuda Constituency, in justice to him, I must say, was not so positive as the Hon'ble Member for Vyttila in his assertions. The latter said that it would prejudicially affect the commerce in the State by letting out trade secrets, and that the British merchants would be benefitted at our expense. I do not know, if he objects merely on this particular ground—the letting out of the trade secrets.

President.—That is only one of the grounds.

Mr. S. F. Nunez.—After all, this letting out of trade secrets is not quite comprehensible. Unfortunately, the trade secrets have got a sinister aspect. If that expression is

associated with this Bill, that sinister aspect would affect the intensive value of the opposition. Perhaps, the Hon'ble Member for Vyttila is a political strategist, and that is why he used such an expression.

President.—What is this "strategist"? Is it a compliment to the Hon'ble Member for Vyttila?

Mr. M. Krishna Menon.—I will take it as a compliment.

Mr. S. F. Nunez.—I also intended it as one.

Mr. M. Krishna Menon.—I never knew that till now.

Mr. S. F. Nunez.—Sir, we all know that America is not only a politically progressive country, but is in the forefront of commercial and industrial advancement. I believe the non-official Members of this House are aware that there is a Department of Statistics, and that there is a Departmental Head also. The Americans are noted for their strict maintenance of statistics, when they start an enterprise.

Mr. C. A. Ouseph.—On a point of information, Sir. Is there such an Act in America?

Mr. S. F. Nunez.—Well, I must confess my ignorance on that point. What I want to bring to the notice of this House is that, for commercial advancement, statistics are of primary importance, and I think it is only on this ground that the Government of India passed Act XX of 1926, and reasonably too. We are not passing through any period of transition, either commercial or political. It is the duty of the Government to know whether they could afford to conduct commercial and industrial enterprises either by means of protection or by giving liberal bounties. In doing such a thing, the Government should know whether particular industries require any encouragement. We know there were several causes for competition from outside. There was a commission set up. The commission recommended that industry should be encouraged by granting big bounties.

The British Government have passed this regulation with a view to effect the improvement of the cotton industry in the long run. These are not grievances reasonably based on facts. The Government will not be carried away by the sentiment of politicians. They want to proceed on facts—dry facts and figures, and we know, Sir, it is for that object they want accurate figures. Unless the Government comes forward in this matter, and ask the mill-owners to supply facts, it is only natural that they would refuse to disclose correct facts. Why do we jump into conclusions regarding the British Act? As for the sinister object of fattening the Lancashire merchants, I do not think

there is even such a thing as that. I am sure, in spite of that, the benefit for the cotton industry would be too great. For my part, I may submit that I do not apprehend all the dangers which come to the State by the passing of this Act. I am not unaware of the existence of the Sitaram Mill which is the only cotton mill in our State. I do not know whether the Government has advanced any loans. Even after passing this legislation, I think this House can call upon the Government, if they are enthusiastically attached to the mill, to give easy terms of repayment. Well, I hope such a resolution brought to this House may be passed. With these words I support the passing of such a Bill into law.

Mr. A. B. Salem.—I endorse every word of what the Hon'ble Members of the opposition said in this House with reference to this Bill. But I am unable to support the opposition, and my loyalty to the British Government and the oath taken by me on the opening day prevent me from opposing this Bill. I do not think the Cochin Government is able to oppose it. That is the situation in which I am placed. (*Hear, hear.*) I have sworn to His Majesty the King Emperor. His Majesty's Government asks for a particular Bill through my Government, and my Government brings this Bill, and is not able even to assign reasons for its being passed. This House, no doubt, can express its genuine feelings, and say that this is not done in our interests. I sympathise with you; and condole with you in the position in which you and I find ourselves as subordinates within the influence of the British power. But the House will stultify itself, if it goes on considering the opposition; and if it throws out the Bill, what will be the result? The Bill will be passed over the head of this House by proclamation. That will be the result. We express our sentiments, and our intellect does not approve of this Bill as necessary to the cotton industry. But we are unable to oppose it, and, therefore, I do not do so.

Mr. O. R. Chummar.—Sir, I support the Bill however; not on the ground on which the Hon'ble Member for the Jewish Constituency supported it. I do not think that my loyalty to the British Government restricts my freedom to discuss the merits of the Bill, or to vote according to my conviction. But I support it on the ground that it is beneficial to the State. As the Hon'ble Member for the Jewish Constituency just now remarked, the cotton industry in India and especially in the Cochin State is in an infant stage. It, therefore, requires the support of the Government at every turn, and the Government can give any help to the industry only if it can get accurate figures regarding the development of the industry in the State. If the Government

find that it cannot thrive here, it will be useless to spend money upon it. Reliable information can be obtained only by means of collecting statistics, and the Government can never do anything without getting accurate figures. Thus, from the standpoint of the producer, the Bill is very useful inasmuch as the Government can collect accurate figures and render judicious help to the mill owners. It is also useful from the standpoint of the consumer. As the Hon'ble Member for the Irinjalakkuda Constituency just now remarked, prices fluctuate for several reasons. They fluctuate not only owing to the fluctuations in supply and demand, but also owing to want of knowledge regarding the supply and demand. But if we get accurate figures by means of statistics, we can know the exact supply and demand, and that will have the effect of stabilising prices. On these grounds I support this Bill.

Mr. C. A. Ouseph.—Before coming to an actual discussion of the Bill itself, may I offer my thanks to you, Sir, for having given us this opportunity to discuss it fully. The Bill could have been very easily passed in the Council yesterday. I admire your mentality which has been so liberal as to give the Members of this House sufficient opportunity to show what opposition they have to this measure, and I would qualify that mentality with far better terms than what the Hon'ble Member for Trichur could find. Sir, Act XX of 1926 was passed only the other day. There were measures passed in British India in 1908 and, long before that even in 1872. The Transfer of Property Act was in existence for nearly half a century. The Civil Procedure Code was in operation for nearly 18 years. These are measures very necessary for security of property. There are very many measures in British India affecting the life, liberty and property of the subjects. None such has been asked by the British Government to be introduced into the Cochin State. But yesterday—only yesterday—an Act was passed. It is associated with the cultivation of cotton and the development of the cotton industry, and we are immediately asked to introduce that measure here. What are the reasons? None has been given before the House; absolutely none. We do not know what reasons have been given there, in Delhi or Simla. I do not think with the Hon'ble Member for the Jews that loyalty is so wooden and inelastic as to tie us down to supporting such a measure. One must see things through their proper light and support such measures as are useful. (*Hear, hear.*)

We are not dealing with compressed cotton. We are dealing with mere cotton textiles. Where is the harm in storing them? Where is the harm in manufacturing them? If it were

gun-powder, you must have statistics of import and export of storage and all such things. But with regard to the cotton goods and fabrics, where is the harm? They are the mildest of mild products, and it is with regard to these that the British Government have asked you to get statistics compulsorily. The only thing we can find is that the statistics will be available for the Lancashire mill-owners to be used against India. Let not small Cochin, in this southernmost part of India, be a harmful barrier to this industry which may, God please, thrive in India!

Sir, are there not other products in regard to which the same thing may be done? We have got paddy cultivation. It is a staple industry in the State. Why not pass a measure to ascertain from time to time for how long we can depend upon the paddy that is produced in Cochin? That is the measure we should pass first, before we consider this Cotton Industry Statistics Bill. I would recommend to the Government that an Act may be passed here so that we may know every month, nay, every week, how much paddy is produced in our State. (*Hear, hear.*) It is of vital importance, because that is the food upon which we live. Cotton we get elsewhere; rice we should not.

Then, Sir, what do they want? Not only in the case of woven cotton, but even with regard to yarn, they want statistics. What is the importance of getting statistics of yarn? I wonder why they did not require information about yarn produced by *charka*. I wonder why they left it quite out of consideration.

For these reasons, Sir, I would, with all the strength that I can command, oppose the motion.

Mr. S. S. Koder.—Sir, I wish to say a few words about this, before I oppose. I think it is our bounden duty to know what we are passing. A Bill was brought here. If we were not enlightened, how can we act? (*Hear, hear.*) Whether for good or for bad, it is the duty of the Government, I think, to explain to us how this will be of some use to the mill-owners. That is not done here.

We are not babies, Sir. (*Laughter.*) We have grown, and have just learned to 'walk-in' and 'walk-out'. (*Laughter.*) Besides this, a few catchwords were given here—one was that it is 'dry'. I do not think that this is 'dry'. I do not like to be always 'dry'. I like to be a little 'wet' sometimes. (*Laughter.*)

Sir, I think that, before we oppose, or pass it, it is the duty of the Government to point out how this will turn out to the benefit of the mill-owners.

President.—Has it not been sufficiently explained?

Dr. A. R. Menon.—No explanation has been given.

Mr. K. Achyuta Menon.—No explanation to their satisfaction.

Mr. S. S. Koder.—Most of the non-official Members have not understood it. This is all what I have to say.

President.—Whether it has come to your expectations or not is quite another matter. Then, Mr. Sankara Puduval.

Mr. A. Sankara Puduval.—Sir, I too rise to oppose this motion. I have not been able to understand the need for the introduction of this measure here. The cotton industry is in its infancy in our State, at least, so far as machine-made cotton, cotton stuff, and cotton yarn are concerned. I do not profess to be an adept in spinning yarns. I cannot see, however, either from the preamble, or the Objects and Reasons given, how it would, in any way, benefit the cotton industry of this State. These restrictions would hamper progress, would be obstacles in the way of people resorting to this industry, and instead of aiding the development of it, I am afraid it will, in all probability, deter the development of this industry in this State.

From the view point that was presented by one of the Hon'ble Members of this House, it might be desirable to know whether the cotton industry stands in need of any support from the Government, and for that purpose, he thinks that the proposed Bill would be useful. But, I am afraid, help has to be rendered in its initial stage, and not after the Bill comes into law, and after the statistics are gathered for half a dozen years hence. So far as that purpose is concerned, it would very well be achieved by the Report of the Economic Development Committee that is already sitting now,; so that, if the prime object be to help the industry, to see if any substantial help from the Government is called for, I believe there is no necessity for this Bill. But I am afraid there are ulterior reasons which go very strongly to deter the development of the cotton industry in this State, and such a measure, apart from any question of loyalty to the British Government has to be rejected by this House.

Mr. N. Padmanabha Menon.—Sir, I oppose the Bill. It is most regretable that no sufficient reason has been given for justifying the necessity for the introduction of this Bill. And from what little we know of the history of the whole question in British India, I can boldly say that the plea that the Regulation passed in British India was intended to support the cotton industry is only an idle one. I admit that statistics, to a certain extent, will help the Government in giving some help to the

industry. We have to look at this question from two viewpoints. As a means of giving direct help to the cotton industry in India, this Bill has no meaning for us, and does not deserve a place in our Statute-book. The indirect and the only method by which the British Government could support the cotton industry throughout the whole of India is by building a tariff wall and protecting Indian cotton industry. Ever since 1876—I think it was in that year, when the first demand was put forth by the Indian merchants for a protective tariff—the Government of India was playing with the question, and even in the year 1926, they have not solved it satisfactorily. It is true they have a sort of duty in British India, but it is not intended as protective duty in order to help Indian industries.

Therefore, Sir, I am not satisfied that the collection of statistics is intended by the British Government to support the Indian cotton industry as a whole. If it is intended to support the British Indian cotton industry, then, a Bill in the Cochin Legislative Council is unnecessary and uncalled for. Moreover, Sir, on general principle, an industry in its infant stage should not be harassed with so many laws and regulations. In industrial concerns, there must be a free and unrestricted atmosphere for the particular industry to develop. Every Bill, every law we pass, will be a strain on its resources, and will have a deterrent effect on the intending promoters of the industry. (*Hear, hear.*)

On these two grounds I oppose, the Bill.

Mr. E. Ikkanda Warriar.—Sir, I also oppose this Bill. I do not propose to traverse through the grounds advanced against the Bill by the Hon'ble Members who spoke before me. I wish to place before this House only one aspect of the question, and it is this. It has been contended by those who supported this Bill that, probably, the Government, the British Government or our Government, has the object of helping the cotton industry in view.

We know that this Bill has not originated from our Government. It originated from the British Government. I would, in this connection, only just draw your attention to the condition of the cotton industry in India a hundred years ago, and the condition of the cotton industry to-day, and would leave you to see for yourself what were the causes that led to the present deplorable condition. Those of you who have followed the discussion on my hand-spinning resolution will probably remember that, before 1812, the cotton industry was in a most thriving condition in India, and in order to kill that industry the British Government—the Government in England—imposed a duty of

81 and odd per cent on the finished products that we imported from India into England. In this and various other ways we have been reduced to the condition in which we find ourselves to-day.

President.—You mean, 81 and odd per cent on the finished products that we *imported* to England?

Mr. E. Ikkanda Wariar.—That we exported to England. And what is our condition to-day? It is only very recently that some of our mills have begun to thrive, and till then, we had been importing practically all the cotton goods that we wanted from *outside* India.

We do not find any provision in the Bill guaranteeing any support to the cotton industry. So, in the absence of anything, any definite promise or any definite scheme of help to the cotton industry in the Bill itself, I would request you, one and all, to consider well whether we should accord our support to this Bill on the problematical chances of the Government, which has—I would submit—contributed 95 per cent to the killing of this industry, which was once thriving most splendidly in our country.

It is too much to think that they have one fine morning, realised that they must help this industry and begun legislating upon that matter and with that object.

I, therefore, urge one and all of the Members of this House to oppose this Bill.

Mr. T. A. Ramachandra Ayyar.—Sir, I am not going to make a speech in opposing this Bill. I am going to make some inquiries. I want to know whether there is such a law in Travancore and Mysore. Will the Hon'ble the Government Advocate enlighten me on the point?

Mr. K. Achyuta Menon.—I don't know. I am not informed.

President.—It has been passed only in 1926 by the British Government, i. e., very recently. The British Government might have instructed them to pass it. We do not know what they are going to do.

Mr. I. E. Ambooken.—Sir, may I know whether this Bill can be discussed in this House or not? On principle, this Bill has originated from the British Government, and it is stated in the Objects and Reasons that it is under the orders of the British Government—rather the Political Agent—that this Bill is going to be introduced. So this matter is one which is related to the British Government. I don't know whether this House has got the power to enquire into such a matter, which has got relation to the British Government. Now, we will have to discuss it.

President.—This House can discuss the Bill.

Mr. K. T. Mathew.—May I know whether it is of such importance as to be passed in this sitting itself? Can we not postpone the consideration of the Bill to the next sitting by which time we will be able to understand whether such a Bill has been passed in Travancore, Mysore, etc., whether the British Government would ask the Mysore and Travancore Governments also to introduce such a Bill?

Mr. M. Krishna Menon.—And whether those legislatures are going to pass it.

President.—Anybody else wishing to speak?

Mr. K. T. Mathew.—Sir, under Standing Order 26, I move that the business now under consideration be postponed to the next sitting of the Council for discussion.

Mr. A. Sankara Puduval.—There is a feeling among non-official Members that some provisions of this Bill require re-consideration so that, if the Government will agree to a Select Committee being formed to consider and discuss this Bill, we can make the best use of it.

President.—If the motion of Mr. Mathew be carried and the business adjourned, you will get time for all that.

Mr. C. A. Kunjunni Raja.—Was the motion seconded?

Mr. S. F. Nunez.—Sir, I second it.

President.—Do adjournment motions require seconding? There is nothing to show that this motion has to be seconded.

Mr. S. F. Nunez.—It is necessary, Sir.

President.—What do you say about seconding?

Mr. A. Sankara Puduval.—The Standing Order does not require it.

The question of adjourning the business, the House was engaged in, was put to votes and carried.

The Bill to amend the Cochin Municipal Regulation.

President.—The next item is the Bill to amend the Cochin Municipal Regulation to be introduced by the Law Member.

Mr. K. Achyuta Menon.—Sir, I beg to move that the Cochin Municipal Regulation Amendment Bill be read in Council.

Mr. T. K. Krishna Menon.—Sir, I second it.

President.—Have you not got to make any statement?

Mr. K. Achyuta Menon.—The object of the Bill is to exempt Co-operative Societies from the provisions of the Regulation regarding the liability to pay some taxes. Co-operative Societies are not like ordinary companies working for profit alone. Their primary object is something else than making a profit. So the Government think it necessary to exempt them from